

**Commerce  
Secretary**

	<b>Revised FY 2006</b>	<b>Requested FY 2007</b>	<b>Requested FY 2008</b>	<b>Recommended FY 2007</b>	<b>Recommended FY 2008</b>
<b>SOURCE OF FUNDS</b>					
<b>General Fund</b>					
Regular Appropriation	2,533,000	3,270,400	3,423,400	3,048,100	3,073,000
Current Year Appropriation		69,800	72,800		
Continuing Appropriation	99,100				
Salary Compensation Fund	124,300				
Reorganization Adjustments	181,400				
<b>Total General Fund</b>	<b>2,937,800</b>	<b>3,340,200</b>	<b>3,496,200</b>	<b>3,048,100</b>	<b>3,073,000</b>
<b>Restricted Funds</b>					
Balance Forward	645,300	595,800	495,600	405,100	324,000
Current Receipts	936,300	986,300	1,011,300	965,100	967,100
Fund Transfers	-190,700				
<b>Total Restricted Funds</b>	<b>1,390,900</b>	<b>1,582,100</b>	<b>1,506,900</b>	<b>1,370,200</b>	<b>1,291,100</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>4,328,700</b>	<b>4,922,300</b>	<b>5,003,100</b>	<b>4,418,300</b>	<b>4,364,100</b>
<b>EXPENDITURES BY CLASS</b>					
Personnel Cost	2,943,000	3,591,000	3,781,800	3,134,000	3,187,500
Operating Expenses	591,900	477,000	477,000	613,400	613,400
Grants, Loans or Benefits	335,000	281,400	281,400	335,000	335,000
Capital Outlay	53,700	77,300	67,300	11,900	
<b>TOTAL EXPENDITURES</b>	<b>3,923,600</b>	<b>4,426,700</b>	<b>4,607,500</b>	<b>4,094,300</b>	<b>4,135,900</b>
<b>EXPENDITURES BY FUND SOURCE</b>					
General Fund	2,937,800	3,340,200	3,496,200	3,048,100	3,073,000
Restricted Funds	985,800	1,086,500	1,111,300	1,046,200	1,062,900
<b>TOTAL EXPENDITURES</b>	<b>3,923,600</b>	<b>4,426,700</b>	<b>4,607,500</b>	<b>4,094,300</b>	<b>4,135,900</b>
<b>EXPENDITURES BY UNIT</b>					
Executive Policy and Management	2,265,000	2,556,600	2,659,400	2,375,300	2,400,200
Capital Plaza Operations	685,800	774,400	799,200	754,200	766,100
Creative Services	972,800	1,095,700	1,148,900	964,800	969,600
<b>TOTAL EXPENDITURES</b>	<b>3,923,600</b>	<b>4,426,700</b>	<b>4,607,500</b>	<b>4,094,300</b>	<b>4,135,900</b>

Executive Order 2003-064, which was ratified by the 2005 Regular Session of the General Assembly, created the Commerce Cabinet by combining the former Tourism Development Cabinet and elements of the Education, Arts and Humanities Cabinet. The Office of the Secretary of the Commerce Cabinet coordinates the various agencies within the Cabinet.

The Executive Policy and Management unit directs planning and management of the agencies within the Cabinet. This program develops plans to assure orderly growth and improved management, recommends executive actions and legislative measures, and evaluates agency budget requests.

## Policy

The 2005 General Assembly took the following actions:

- Added by Senate Bill 40 and attached to the Office of the Secretary's appropriation unit was the Office of Energy Policy. The old Division of Energy within the Environmental and Public Protection Cabinet was transferred to this new Office by Senate

Bill 41. The Office of Energy Policy is being recommended as a separate appropriation unit in fiscal biennium 2006-2008.

- Added by Senate Bill 40 and attached to the Office of the Secretary's appropriation unit was the Office of Energy Policy. The old Division of Energy within the Environmental and Public Protection Cabinet was transferred to this new Office by Senate Bill 41. The Office of Energy Policy is being recommended as a separate appropriation unit in fiscal biennium 2006-2008.
- Senate Bill 65 created the Kentucky Sports Authority and attached it to the Office of the Secretary's appropriation unit. Although this was attached to the Office of the Secretary, the funding was provided by the Department of Tourism. The Commerce Cabinet is expected to present housekeeping legislation to resolve the discrepancy.
- The Creative Services and the Capital Plaza Operations programs were transferred from the Finance and Administration Cabinet to the Commerce Cabinet, Office of the Secretary, by Senate Bill 40.
- The Commission on Small Business Advocacy was transferred from the Governor's Office to the Commerce Cabinet's Office of the Secretary by Executive Order 2003-064. Subsequent to the Executive Order, this Office was transferred to the Economic Development Cabinet by Senate Bill 40.

The Governor's recommended budget includes \$330,000 in each year of the biennium for outdoor drama grants.

Executive order 2005-576 moved grants to the Mountain Arts Center, the Blue Apple Players, and the Martin Luther King Commission from the Education Cabinet to the Commerce Cabinet, Office of the Secretary.